

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF NEW YORK

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IN RE:

Chapter 7

Case No. 1-09-13438-MJK

NANODYNAMICS, INC.

DEBTOR.

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MARK S. WALLACH, AS CHAPTER 7 TRUSTEE  
OF NANODYNAMICS, INC.,

PLAINTIFF,

Adv. Pro. No. 1-11-01078-MJK

VS.

ALLAN ROTHSTEIN,

DEFENDANT.

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**ORDER GRANTING MOTION OF CHAPTER 7 TRUSTEE FOR AN ORDER  
APPROVING THE SETTLEMENT AND COMPROMISE OF ADVERSARY  
PROCEEDING PURSUANT TO FED. R. BANKR. P. 9019**

This matter came before the U.S. Bankruptcy Court for the Western District of New York ("Bankruptcy Court")<sup>1</sup> upon the motion of Mark S. Wallach ("Trustee"), as the duly appointed chapter 7 trustee of Nanodynamics, Inc. ("Debtor"), by his special counsel HARTER SECREST & EMERY, LLP, dated April 2, 2013, seeking an order approving the proposed settlement negotiated with defendant, Allan Rothstein ("Defendant"), of the above-captioned adversary proceeding, pursuant to FED. R. BANKR. P. 9019 ("Settlement Motion"), notice of which was served on all creditors and parties in interest. Following the oral presentations of counsel, and for other cause shown to the Bankruptcy Court, it is hereby

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<sup>1</sup> Any capitalized terms used but not defined herein shall have the meanings assigned to them in the Settlement Motion or Stipulation of Settlement.

ORDERED that the settlement as described in the Settlement Motion, and corresponding Stipulation of Settlement ("Stipulation"), is approved as being in the best interests of creditors and the estate, and an appropriate exercise of the Trustee's discretion; and it is further

ORDERED that, pursuant to FED. R. BANKR. P. 9019, the Trustee is authorized to take all reasonable steps as may be required and as contemplated in the Stipulation to consummate the same; and it is further

ORDERED that, upon final consummation of the Stipulation, all of the Trustee's claims against Defendant be, and are hereby compromised and settled in accordance with the terms of the Stipulation; and it is further

ORDERED that, pursuant to the Settlement Motion and Stipulation, Claim No. 64 filed by the Defendant in the amount of \$532,315.07 ("Claim") shall be deemed an allowed, prepetition unsecured claim in the amount filed; provided, however, that distributions made in respect to the Claim shall first be applied towards payment of any unpaid portion of the Settlement Amount (if the Settlement Amount has not been fully paid at the time of any such distribution) and any excess thereof shall be disbursed to the Defendant.

Dated: MAY - 1 2013, 2013  
Buffalo, New York

  
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HON. MICHAEL J. KAPLAN  
UNITED STATES BANKRUPTCY JUDGE

